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REPORT

STAT

CD NO.

COUNTRY German Democratic Republic

DATE OF  
INFORMATION 1951

SUBJECT Economic - Planning

DATE DIST. 2/ Dec 1951

HOW  
PUBLISHED Daily newspaperWHERE  
PUBLISHED Weimar

NO. OF PAGES 7

DATE  
PUBLISHED 28 - 30 Jul 1951

LANGUAGE German

SUPPLEMENT TO  
REPORT NO.

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FULFILLMENT OF THE GDR  
ECONOMIC PLAN FOR THE SECOND QUARTER 1951

On 26 July, the State Planning Commission of the German Democratic Republic issued a report on the fulfillment of the 1951 Economic Plan during the second quarter of the current year. This report contains the following information:

Industry

The plan for gross industrial production in the second quarter 1951 was fulfilled 107 percent, a rise of 25 percent over the industrial output during the second quarter 1950.

This overfulfillment is credited to the efforts of the people-owned industries, whose gross output for the second quarter 1951 is given as 26 percent higher than the output for the comparable period of the previous year. The production of cooperative and private enterprises shows an increase of 22 percent over the corresponding period in 1950.

Table 1 (appended) shows the fulfillment of the various industrial quotas for the second quarter 1951.

Planned production quotas were exceeded by a considerable margin for a number of important products, such as brown coal, briquettes, copper ore, rolled steel, sulfuric acid, rayon, textiles, stockings and socks, and shoes.

During May and June 1951, the monthly production targets for bituminous coal were exceeded by 103 and 101 percent, respectively.

Production increases of specific items during the second quarter 1951 over the comparable period in 1950 are shown in Table 2.

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In the field of science and technology, processes have been developed for the production of metallurgical coke from brown coal, of fireproof building blocks from kieserite, and of magnetic materials from an iron-nickel base. The machine-building industry has started production of continuous spinning frames for artificial silk, of looms with bobbinless shuttles for increased weft speed, of four-pulley briquette presses, and of a newly designed harvesting combine.

Shortcomings in the fulfillment of the industrial plan for the second quarter 1951 were evidenced by failure to meet production targets for cranes for the metallurgical industry, machinery for rolling mills, steel castings, large transformers, electric light bulbs, calcined soda, phosphorus fertilizers, photographic and motion picture film, bricks, roofing tiles, woolen textiles, leather, cellulose for textiles, meat and meat products, and canned fish.

Conversion of the machine factories to the production of heavy machinery has not kept pace with requirements, which, in turn, is responsible for the nonfulfillment of certain other planned quotas.

The electrical industry is criticized for failure to produce high-quality large-scale equipment for export.

To improve the labor situation, the speedy and extensive adoption of the contracting system is urged.

Cooperation of industrial plants with the foreign trade agencies, cooperatives, state trade centers (Handelszentralen), and with the enterprises engaged in carrying out investment projects is termed inadequate.

The Laender governments are criticized for their lack of know-how in organizing the local people-owned industries into important sources for the additional production of consumers' goods. They are accused of limiting themselves to passing administrative measures, and of failure to direct the utilization of local reserves.

#### Agriculture

According to information thus far obtained by the State Planning Commission the agricultural plan for the second quarter 1951 was fulfilled 99.2 percent. The entire people-owned agricultural area was planted, an achievement which is termed significant because the planting arrears which had to be made up during the second quarter 1951 were 23.7 percent greater than the planting backlog for the second quarter 1950.

The introduction of the activist movement in the machine rental stations and on people-owned farms resulted in a 59-percent increase in tractor operations over the corresponding period in 1950.

Fertilizer requirements based on planting schedules were met as follows (in percent of plan): nitrogen 100.6, phosphorus 67.3, potash 106.9, and lime 108.1.

The livestock census of 10 June 1951 shows the following increase over that of 3 June 1950 (in percent): cattle 5.7, hogs 18.3, and sheep 16.6.

The number of brood sows increased 29.6 percent over the comparable period in 1950, and the 1951 quota has already been completed 108.5 percent.

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Milk production has risen to 126.4 percent of the total for the second quarter 1950, and the average milk production per cow was increased by 11 percent.

Second-quarter quotas for the deep-sea and coastal fisheries were fulfilled 101.3 percent; however, the quota deficit for the first quarter 1951 has not been compensated for.

#### Transportation

The tonnage quota for freight transportation for the second quarter 1951 was fulfilled 104 percent. The average number of freight cars loaded per day increased by 17, as compared with the same period in 1950. The following figures show the increase in certain freight car loading operations over the second quarter 1950.

	2d Qu 51 in % of 2d Qu 50
Coke and coal	111.8
Building materials	114.4
Lumber	104.4
Metals, scrap, ores	140.6
Foodstuffs	106.5

Reduction of the average freight car turnaround time by the Reichsbahn is regarded as a noteworthy achievement. Whereas the 1951 plan called for the reduction of average freight car turnaround time from the 1950 level of 3.73 days to 3.65 days, this time was reduced to 3.10 days during the second quarter 1951, exceeding the planned target by 15 percent. The average load for freight trains was increased by 5.6 percent, chiefly as the result of operating heavy freight trains. An 8-percent reduction of coal consumption, as compared with the corresponding period of 1950, was also achieved.

The total number of railroad passengers carried was 102 percent of the second quarter 1950.

The quota for inland water freight was fulfilled 102 percent. Nevertheless, even greater efforts are called for by the Directorate General for Water Transport to make up for nonfulfillment of the quota in the first quarter 1951.

The target for automotive transportation was fulfilled 132 percent.

The quota for reconstruction and new construction of roads and bridges has not been fulfilled.

#### Postal and Telecommunications

The performance target for the postal and telecommunications system was fulfilled 97.7 percent for the second quarter 1951. The number of telephone trunk lines was increased by 10 percent, as compared with the second quarter 1950. Since 30 June 1950, the total number of radio listeners has increased from 310,000 to 3,360,000 /sic/.

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Investments

As of 30 June 1951, 32.2 percent of the 1951 investment plan had been completed. Investments during the first 6 months increased 34.2 percent over the comparable period in 1950. At the end of the second quarter 1951 the various administrations of the Ministry for Heavy Industry had fulfilled their 1951 targets as follows:

	Percent of 1951 Plan Fulfilled
Main Administration (HV) for Coal	32.8
Main Administration for Metallurgy	33.5
Main Administration for Chemistry	41.8
Main Administration for Stones and Earths	42.1
Main Administration for the Building Industry	44.7
Ministry for Machine Building	41.3
State Secretariat for the Food and Beverage Industry	31.6
Ministry for Transportation	31.0

The plants officially designated as key industrial enterprises fulfilled their investment targets by 37.7 percent

The Ministries for Postal and Telecommunications and for Public Health, the State Secretariat for Collection and Purchasing, and the Geological Commission were far in arrears in the fulfillment of their quotas for the second quarter 1951.

As of 30 June 1951, the various Laender of the GDR had fulfilled their investment plans by the following percentages: Brandenburg, 30.3; Mecklenburg, 34.3; Sachsen-Anhalt, 33.7; Thuringen, 34.9; and Sachsen, 27.4. Berlin fulfilled the 1951 investment plan 31.4-percent.

Building operations were accelerated during the second quarter 1951. Fulfillment of the 1951 building plan, which was 14 percent in the first quarter, increased to 40 percent in the second quarter.

During the second quarter, the Ministry for Reconstruction, the Laender governments, and the Main Administration for the Building Industry again failed to pay sufficient attention to housing construction. Operations were slowed down by delays in the drawing up of building plans, failure to move available materials to construction sites, as required, and inadequate recruiting of manpower.

Manpower

The number of workers in people-owned industries has increased by 250,000 over the same period in 1950. New workers were hired principally for machine-building plants, and for the metallurgical and building industries. The number of women workers increased from 25 percent of the total number in the second quarter 1950 to 28 percent in the second quarter 1951.

Average productivity per worker (in the people-owned industries) increased by 10.6 percent over the same period last year.

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Trade with West Germany

Trade with West Germany during the second quarter 1951 dropped to 76.8 percent of the turnover during the corresponding period of 1950.

Foreign Trade

The foreign trade turnover of the GDR increased to 188.4 percent of the comparable period in 1950. As of 30 June 1951, foreign trade with the USSR and the People's Democracies amounted to 80.5 percent of the GDR's foreign trade turnover. During the current report period, trade with the USSR increased to 197.9, with Poland to 145.5, and with Czechoslovakia to 144.6 percent of the figures for the second quarter 1950.

Foreign trade with China rose considerably during the second quarter, especially shipments of machines and chemical products, and purchases of cotton, oleaginous crops, and casings.

The most important export increases were achieved for products of the machine building, electrical, precision instruments, optical, and chemical industries.

Increases of imports applied chiefly to rolled stock, pig iron, cotton, hides and untanned leather, fats, grain, fish, and fish products.

Consumers' Goods Turnover and Supply of the Population

The planned quota for the turnover of consumers' goods during the second quarter 1951 has been fulfilled. The value increase over the comparable period in 1950 amounts to 20.4 percent. In view of the various price reductions which had been effected, the percentage of volume increase is substantially higher.

The turnover of the state trade organizations (HO) by value rose to 141 percent for food and beverages, and to 153.9 percent for industrial goods as compared with the second quarter 1950.

Lowering of Production Costs

According to figures submitted for the first <sup>six</sup> quarter 1951, the plan for lowering production costs of the following people-owned industries has been met as shown:

	Cost Reductions Called for by 1951 Plan (%)	Cost Reductions Achieved as of 30 Jun 1951 (%)
Heavy industry	5.5	5.6
Machine building industry	6.8	4.3
Light industry	6.3	4.3
Food and beverage industry	4.0	3.0
Centrally administered industries	5.9	4.6

During the first 6 months of 1951, the Ministry for Heavy Industry saved 14 million Deutsche marks in the plants under its supervision, and made this amount available for administrative expenditures (budget).

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Cultural Activities

At ten workers' and farmers' schools, 7,072 young students were given the opportunity to prepare themselves for enrollment in institutes of advanced education between 1 April and 30 Jun 1951.

Public Health

During the second quarter 1951, five polyclinics, five mobile hospital units, 46 local nursing stations, and 46 first-aid stations were added to the public health system. In three polyclinics, children's wards have been set up. Hospital and day nursery facilities were improved.

Table 1. GDR Gross Industrial Production in the Second Quarter 1951

<u>Branch of Industry</u>	<u>Plan Fulfillment (%)</u>
Power	101
Mining	107
Metallurgy	105
Machine building	104
Electrical industry	94
Precision instruments and optical industry	116
Chemical industry	107
Building materials industry	97
Wood processing industry	125
Textile industry	109
Leather, shoe, and clothing industries	120
Cellulose and paper industry	109
Printing industry	97
Timber industry	108
Food industry	110

Table 2. Increase in Gross Output of Certain Products in the GDR in the Second Quarter 1951, as Compared With the Same Period in 1950

<u>Product</u>	<u>Production in % of 1950</u>
Electric power	107
Gas	113
Black coal	118
Brown coal	110
Briquettes	108
Copper ore	132
Potassium salts	106
Pig iron	105
Steel ingots	158
Rolled steel	151
Electrolytic copper	139
Bricks	117
Artificial silk	172
Cellulose wool	111
Cellulose for textiles	121
Textiles	134
Bicycles	134
Electric motors	139

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<u>Product</u>	<u>Production in % of 1950</u>
Sulfuric acid	116
Caustic soda	121
Cement	111
Stockings and socks	147
Shoes of all types	133
Including leather shoes	151

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